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JAN 10 2004

Susan K. Kirk
CLERK

STATE OF INDIANA)
COUNTY OF VANDERBURGH) SS: IN THE VANDERBURGH CIRCUIT COURT
AVC NO. 05 - 001

IN RE: THIN & HEALTHY, INC.) MISCELLANEOUS DOCKET
Respondent.) NO. 82001-0501-M1-14

ASSURANCE OF VOLUNTARY COMPLIANCE

The State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Roy P. Coffey, and the Respondent, Thin & Healthy, Inc., enter into an Assurance of Voluntary Compliance (Assurance), pursuant to Indiana Code §24-5-0.5-7.

Any violation of the terms of this Assurance constitutes prima facie evidence of a deceptive act. This Assurance is entered into without any adjudication of any issue of fact or law, and upon consent of the parties.

The parties agree:

1. Respondent has its principal mailing address at 1951 Latham Avenue, Lima, Ohio 45805, and was a party to consumer transactions with Indiana consumers.
2. The terms of this Assurance apply to and are binding upon Respondent, its employees, agents, representatives, successors, and assigns.
3. Respondent acknowledges the jurisdiction of the Consumer Protection Division of the Office of the Attorney General to investigate matters hereinafter described, pursuant to the authority of Ind. Code §4-6-9-4 and Ind. Code §24-5-0.5-1 et seq.
4. Respondent agrees, pursuant to Ind. Code § 24-5-7-5, every Indiana health spa service contract that it furnishes buyers shall contain the buyer's cancellation rights,

shall be in writing, and a copy of buyer's cancellation rights shall be furnished to the buyer at the time the contract is formed.

5. Respondent agrees that every Indiana health spa services contract it furnishes to buyers will advise the buyer in at least ten (10) point boldface type of the buyer's right to cancel the contract by providing written notice, in any form, delivered in person or mailed by certified or registered mail to the seller at the address specified in the contract before midnight of the third full business day after the buyer signs the contract.

6. Respondent agrees that all money paid under an Indiana health spa services contract that it furnishes to buyers which is terminated in accordance with Ind. Code § 24-5-7-5 shall be refunded within thirty (30) days of receipt of the notice of cancellation.

7. Respondent agrees, pursuant to Ind. Code § 24-5-7-6, every Indiana health spa services contract that has not been cancelled pursuant to section 5 of the Indiana Health Spa Services Act (paragraphs 4, 5, and 6 of this Assurance) shall contain a provision in at least ten (10) point boldface type that the buyer or the buyer's estate may cancel the contract if any of the following occur:

- a. The buyer dies.
- b. The buyer becomes totally physically disabled for the duration of the contract.
- c. The health spa facility operated by the seller is moved to a location that is more than five (5) miles away from the original facility. However, if a health spa facility is closed at any site and a facility with similar health spa services is operated less than five (5) miles away from the closed facility,

then the buyer's contract may be transferred to the operating facility, if the operator of the facility to which the contract is to be transferred accepts the transfer.

d. The services are no longer available as provided in the contract because of the seller's permanent discontinuance of operation.

8. Respondent agrees, pursuant to Ind. Code § 24-5-7-11, to not provide a consumer with false or misleading information, representation, notice, or advertisement.

9. Regardless of the date of the contract, Respondent agrees to issue a refund of any portion of the health spa service agreement proceeds received by Respondent and to cancel the health spa service contract of any consumer who files a complaint with the Indiana Attorney General's Office in which the health spa service contract issued by Respondent to the consumer contains any violations of the Indiana Health Spa Services Act. Notwithstanding the foregoing, Respondent shall not be liable to refund more money than it collected from health spa service contracts issued by Respondent to Indiana consumers that contain any violations of the Indiana Health Spa Services Act. Respondent agrees that at the request of the Office of the Attorney General, it will provide documentation of sums received by the Respondent from the sale of health spa service agreements in violation of the Indiana Health Spa Services Act.

10. Respondent, in soliciting and/or contracting with consumers, agrees to comply in all aspects with the Indiana Health Spa Services Act, Ind. Code § 24-5-7-1 *et seq.*

11. Respondent, in soliciting and/or contracting with consumers, agrees to comply in all aspects with the Indiana Deceptive Consumer Sales Act, Ind. Code § 24-5-0.5-1 *et seq.*

12. Respondent hereby cancels the health spa services contract of Joanna Keown, 1620 Reiter Drive, Evansville, IN 47712, and upon execution of this Assurance, shall pay three hundred and 00/100 dollars (\$300.00) to the Office of the Attorney General for the benefit of Joanna Keown.

13. Upon execution of this Assurance, Respondent shall pay costs in the amount of five hundred and 00/100 dollars (\$500.00) to the Office of the Attorney General.

14. Respondent shall fully cooperate with the Office of the Attorney General in the investigation and resolution of any future written complaints the Indiana Consumer Protection Division receives to which Respondent is a party.

15. Respondent shall not represent that the Office of the Attorney General approves or endorses Respondent's past or future business practices or that such execution of this Assurance constitutes such approval or endorsement.

16. The Office of the Attorney General shall file this Assurance in the Circuit Court of Vanderburgh County. The Court's approval of this Assurance shall not act as a bar to any private right of action but shall constitute the sole action of the Attorney General with respect hereto.

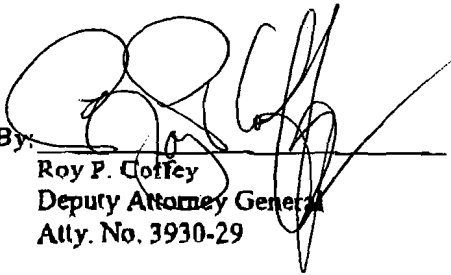
DATED this 29 day of December, 2004.


STATE OF INDIANA

RESPONDENT

STEVE CARTER
Attorney General of Indiana

THIN & HEALTHY, INC.

By: 
Roy P. Coffey
Deputy Attorney General
Atty. No. 3930-29

By: 
Name: _____
Title: office Manager

Office of Attorney General
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Indianapolis, Indiana 46204
Telephone: (317) 232-6229

APPROVED, this _____ day of _____, 2004.

Judge, Vanderburgh Circuit Court